

AB 1057 (BEALL)

FOOD STAMP MODERNIZATION ACT OF 2009

AS INTRODUCED- FEBRUARY 27, 2009

PRINCIPAL CO-AUTHOR- ASSEMBLYMEMBER GALGIANI

SUMMARY

This bill seeks to remove the two largest participation barriers for obtaining food stamp benefits and aid for CalWORKs families. Specifically, AB 1057;

- Eliminates the Statewide Fingerprint Imaging System (SFIS) for families not receiving CalWORKs, and instead, would use the Department of Motor Vehicles' database to verify their identity.
- Moves the Food Stamp Program and CalWORKs recipient reporting periods from quarterly to semi-annual thus aligning it with MediCal reporting periods.

PROBLEM

Problem: California is at the bottom of states for food stamp participation--we must do something to help struggling families and our contracting economy. One factor of our low participation is SFIS because it effectively forces families to physically come into the county welfare office before any benefits are disbursed.

Federal law allows but does not mandate states to implement finger-imaging systems for the food stamp program. California is one of only four states that do so at a cost of \$8 million per year and unknown county administrative time to operate the system. SFIS was implemented in early 2000 to prevent 'duplicate aid fraud.' SFIS takes a finger image of an applicant's index finger, a photo, and personal information. This requirement effectively forces an applicant, and all other required adults in the household, to come into the county welfare office before any benefits can be administered to the family. SFIS is a problem because studies have shown that low-income folks have unreliable transportation and have difficulty taking time off from work due to lost wages to apply for benefits. SFIS adds an extra trip to the county welfare office where on average it takes up to five visits to complete all necessary steps.

Last updated: March 31, 2009

Problem: Burdensome reporting periods effectively kick needy families off of the caseload.

Simplified Reporting, also known as Semi-Annual Reporting (SAR), is a federal option available to states to simplify the process by reducing paperwork, and in turn, county eligibility worker administrative time. Currently, California requires its Food Stamp Program and CalWORKs recipients to update their income and personal information on a quarterly basis. SAR would cut their reporting in half by only requiring this information twice a year. Studies have shown that recipients fall off of the caseload due to not submitting their paperwork only to reapply for benefits again in what is known as "churning." Churning eats up county administrative time by reprocessing the same paperwork. This erodes precious county funds, and more importantly destabilizes working families. *The federal government endorses SAR and forty-eight out of the nation's states have implemented it.*

SOLUTION

If you eliminate SFIS you save needy families from time off work, lost wages, and a speedier application process. The state wins because it is not maintaining the contract to keep SFIS running, and counties save worker time by not fingerprinting people. Estimates show that California's participation will increase by 4.3% with this change. That means 45,000 families or 108,000 more people will receive food stamps. The average monthly benefit would be \$329. This would bring 178 million in federal food stamp benefits to California's economy and the multiplier effect would be \$328 million in economic activity. The state coffers would realize \$4 million, and our agricultural industry would realize increasing demand for their products.

By switching from quarterly to semi-annual reporting, families have a higher probability of maintaining their benefits which enables them to continue to work and move towards self-sufficiency. The state will save anywhere from \$20 to 50 million per year from administrative savings, and counties will save time and money from reviewing less reports.

PRIOR OR SIMILAR LEGISLATION

SFIS Elimination

SB 718 (Leno) of 2009-2010

AB 231 and AB 1313(Steinberg) of 2003-04

AB 696 (Chu) of 2005

AB 1382 (Leno)of 2007-2008

Simplified Reporting

AB 2844 (Laird) of 2007-2008

AB 3029 (Laird) of 2005-2006

SPONSORS/SUPPORTERS

CA Food Policy Advocates (Sponsor)

Catholic Charities of California

California Communities United Institute (CalComUI)

Food Bank of Contra Costa and Solano

FOR MORE INFORMATION

Frances Chacon, Staffer

Frances.Chacon@asm.ca.gov

916. 319.2089

George Manalo-LeClair, MSW

Senior Director of Legislation

george@cfpa.net

510.433.1122 x103

Claudia Arana

Nutrition Policy Advocate

Claudia@cfpa.net

510.433.1122 ext 109